State of New Mexico
Human Services Department
Human Services Register

I. DEPARTMENT
NEW MEXICO HUMAN SERVICES DEPARTMENT

II. SUBJECT
CLIENT MEDICAL TRANSPORTATION SERVICES AND
TRANSPORTATION SERVICES

III. PROGRAM AFFECTED
(TITLE XIX) MEDICAID

IV. ACTION
PROPOSED RULES

V. BACKGROUND SUMMARY

The Human Services Department, Medical Assistance Division, is proposing amendments to rules 8.301.6 NMAC, *Client Medical Transportation Services,* and 8.324.7 NMAC, *Transportation Services,* to clarify regulatory language, to ensure accuracy with existing rules, and respond to current budgetary constraints.

If implemented as proposed, the following changes to Medicaid transportation benefit coverage will affect recipients by:

- Eliminating reimbursement for lodging and meals for both eligible recipients and their attendants.
- Allowing reimbursement for attendant travel only if the eligible recipient is a child ten years of age or younger.
- Providing more detail on non-emergency transportation services to help recipients and providers fully understand allowable transportation services.
- Requiring providers to inform recipients (1) that the provider is enrolled in Medicaid, and (2) whether the services they propose to render are MAD approved services.
- Adding language informing eligible recipients who are enrolled in a managed care organization (MCO) they must utilize their respective MCO's transportation benefits.

If implemented as proposed, the following changes to Medicaid transportation benefits will affect transportation providers by:

- Replacing various modes of transportation with more updated references, such as changing 'public transportation' to 'long distance common carriers'.

- Rewording prior authorization and utilization review for clarity.
- Removing reporting requirements for providers if transporting eligible recipients over 5 million miles a year.

Other changes in the rule being proposed at this time include the following:

- Replacing outdated word usage, such as Medicaid with MAD, the Medical Assistance Division.
- Updating the Department's mission statement.
- Providing more instruction on the eligibility of providers and their responsibilities.
- Directing providers to enroll and follow a MAD managed care or MAD fee-for-service coordinated care contractor's instructions for billing and authorization of services.
- Adding wording that payment is made only by electronic funds transfer (EFT).

❖ The changes in the transportation benefits are being proposed because the Department believes the changes are more in line with the benefits typically available from other commercial insurers. Also, at this time there is a serious shortfall in state revenues which has resulted in reductions in many state agency budgets. The New Mexico Medicaid program budget is no exception. Program costs are outpacing available revenues. Therefore, the Department has looked at transportation and other program benefits to determine changes that can be made while still providing medically appropriate services.

The reduction in payments for these services in the Medicaid fee-for-service program is estimated to be $680,000.

VI. RULES

These proposed rule changes refer to 8.324.7 NMAC, *Transportation Services,* and 8.301.6 NMAC, *Client Medical Transportation Services,* which has been renumbered and reformatted from MAD.605 to comply with NMAC requirements. This register and the proposed changes are available on the Medical Assistance Division web site at www.hsd.state.nm.us/mad/registers/2010. If you do not have Internet access, a copy of the rules may be requested by contacting the Medical Assistance Division at 505-827-3156.

VII. EFFECTIVE DATE

The Department proposes to implement these rules effective January 14, 2011.

VIII. PUBLIC HEARING

A public hearing to receive testimony on these proposed rules will be held at 9:00 a.m., Wednesday, December 1, 2010, in the ASD conference room at Plaza San Miguel, 729 St. Michael's Drive, Santa Fe.

If you are a person with a disability and you require this information in an alternative format or require a special accommodation to participate in the public hearing, please contact the Division toll free at 1-888-997-2583 and ask for extension 7-3156. In Santa Fe call 827-3156. The Department's TDD system may be accessed toll-free at 1-800-659-8331 or in Santa Fe by calling 827-3184. The Department requests at least ten (10) days advance notice to provide requested alternative formats and special accommodations.

IX. ADDRESS

Interested persons may address written or recorded comments to:

Kathryn Falls, Secretary
Human Services Department
P.O. Box 2348
Santa Fe, New Mexico 87504-2348

These comments must be received no later than 5:00 p.m. on December 1, 2010. Written and recorded comments will be given the same consideration as oral comments made at the public hearing. Interested persons may also address comments via electronic mail to: Magdalena.Romero@state.nm.us.

Copies of all comments will be made available by the Medical Assistance Division upon request by providing copies directly to a requestor or by making them available on the MAD website or at a location within the county of the requestor.

X. PUBLICATIONS

Publication of these rules approved by:

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KATHRYN FALLS, SECRETARY
HUMAN SERVICES DEPARTMENT

TITLE 8 SOCIAL SERVICES
CHAPTER 301 MEDICAID GENERAL BENEFIT DESCRIPTION
PART 6 CLIENT MEDICAL TRANSPORTATION SERVICES

8.301.6.1 ISSUING AGENCY: New Mexico Human Services Department (HSD).
[2/1/95; 8.301.6.1 NMAC - Rn, 8 NMAC 4.MAD.000.1 & A, 1-14-11]

8.301.6.2 SCOPE: The rule applies to the general public.
[2/1/95; 8.301.6.2 NMAC - Rn, 8 NMAC 4.MAD.000.2, 1-14-11]

8.301.6.3 STATUTORY AUTHORITY: [~~The New Mexico medicaid program is administered pursuant to regulations promulgated by the federal department of health and human services under Title XIX of the Social Security [Act, as amended and by the state human services department pursuant to state statute. See Sections 27-2-12 et seq. NMSA 1978 (Repl. Pamp. 1991).~~]] The New Mexico medicaid and other health care programs are administered pursuant to regulations promulgated by the federal department of health and human services under the Social Security Act as amended or by state statute. See NMSA 1978, Section 27-1-12 et seq.
[2/1/95; 8.301.6.3 NMAC - Rn, 8 NMAC 4.MAD.000.3 & A, 1-14-11]

8.301.6.4 DURATION: Permanent
[2/1/95; 8.301.6.4 NMAC - Rn, 8 NMAC 4.MAD.000.4, 1-14-11]

8.301.6.5 EFFECTIVE DATE: February 1, 1995, unless a later date is cited at the end of a section.
[2/1/95; 8.301.6.5 NMAC - Rn, 8 NMAC 4.MAD.000.5 & A, 1-14-11]

8.301.6.6 OBJECTIVE: [~~The objective of these regulations is to provide policies for the service portion of the New Mexico medicaid program. These policies describe eligible providers, covered services, noncovered services, utilization review and provider reimbursement.~~] The objective of this rule is to provide instruction for the service portion of the New Mexico medical assistance programs.
[2/1/95; 8.301.6.6 NMAC - Rn, 8 NMAC 4.MAD.000.6 & A, 1-14-11]

8.301.6.7 DEFINITIONS: [RESERVED]

8.301.6.8 MISSION STATEMENT: [~~The mission of the New Mexico medical assistance division (MAD) is to maximize the health status of medicaid eligible individuals by furnishing payment for quality health services at levels comparable to private health plans.~~] To reduce the impact of poverty on the people living in New Mexico and to assure low income and individuals with disabilities in New Mexico equal participation in the life of their communities.
[2/1/95; 8.301.6.8 NMAC - Rn, 8 NMAC 4.MAD.002& A, 1-14-11]

8.301.6.9 CLIENT MEDICAL TRANSPORTATION SERVICES: [~~Medicaid covers expenses for transportation [and other related expenses which the New Mexico medical assistance division (MAD) determines are necessary to secure Medicaid covered medical examinations and treatment for eligible recipients in or out of their home community [42 CFR 440.170]. Travel expenses include the cost of transportation by public transportation, taxicab, handivan, and ground or air ambulance. Related travel expenses include the cost of meals and lodging made necessary by receipt of medical care away from the recipient's home community. When medically necessary, medicaid covers similar expenses for an attendant who accompanies the recipient to the medical examination or treatment. This part describes covered services, service limitations, and reimbursement rates.~~] The medical assistance division (MAD) covers expenses for transportation it determines are necessary to secure MAD covered medical examination and treatment for eligible recipients in or out of their home community [42 CFR 440.170]. Travel expenses include the cost of transportation by long distance common carrier, taxicab, handivan, and ground or air ambulance, all as appropriate to the situation and location of the eligible recipient. When medically necessary, MAD covers similar expenses for an attendant who accompanies the eligible recipient who is age ten years or younger to the medical examination or treatment.
[2/28/98;8.301.6.9 NMAC - Rn, 8 NMAC 4.MAD.605 & A, 1-14-11]

8.301.6.10 COVERED SERVICES AND SERVICE LIMITATIONS: [~~Medicaid~~] MAD reimburses eligible recipients or transportation providers for medically necessary transportation subject to the following: [~~and related expenses only if a recipient does not have access to transportation services which are available free of charge.~~]

A. Free alternatives [~~examples~~]: Alternative transportation services which may be provided free of charge, include volunteers, relatives or transportation services provided by nursing facilities or other residential centers. [~~Recipients~~] An eligible recipient must certify in writing that they do not have access to free alternatives.

B. Least costly alternatives: [~~Medicaid~~] MAD covers the most appropriate and least costly transportation alternatives suitable for the eligible recipient's medical condition. If [~~recipients~~] an eligible recipient can use private vehicles or [~~less costly~~] public transportation, those alternatives must be used before [~~recipients~~] the eligible recipient can use more expensive transportation alternatives.

C. Non-emergency transportation service: [~~Medicaid covers non-emergency transportation services for clients who have no primary transportation and who are unable to access a less costly form of public transportation.~~] MAD covers non-emergency transportation services for an eligible recipient who does not have primary transportation and who is unable to access a less costly form of public transportation.

D. Long distance common carriers: [~~Medicaid covers long distance services furnished by a common carrier if recipients must leave their home communities to receive medical services. Authorization forms for direct payment to long distance bus common carriers by MAD are available through local county ISD offices.~~] MAD covers long distance services furnished by a common carrier if the eligible recipient must leave their home community to receive medical services. Authorization forms for direct payment to long distance bus common carriers by MAD are available through the eligible recipient's local county income support division (ISD) office.

E. Ground ambulance services: [~~Medicaid~~] MAD covers services provided by ground ambulances when:

(1) An emergency which requires ambulance service is certified by a physician or is documented in the provider's records as meeting emergency medical necessity [~~criteria; terms are defined as follows:~~] as defined as:

(a) [~~"emergency" is defined as a situation caused by an unforeseen accident, injury or acute illness demanding immediate action and transport to a place for treatment;~~] an emergency condition that is a medical or behavioral health condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that prudent layperson, who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to body function or serious dysfunction of any bodily organ or part; and

(b) "medical necessity" for ambulance services is established if the eligible recipient's condition is such that the use of any other method of transportation is contraindicated and would endanger the eligible recipient's health;

(2) scheduled, non-emergency ambulance services are ordered by a physician who certifies that the use of any other method of non-emergency transportation is contraindicated by the eligible recipient's medical condition;

(3) [~~medicaid~~] MAD covers non-reusable items and oxygen required during transportation; coverage for these items are included in the base rate reimbursement for ground ambulance.

F. Air ambulance services: [~~Medicaid~~] MAD covers services provided by air ambulances, [~~which include~~] including private airplanes, if an emergency exists and the medical necessity for the service is certified by the physician.

(1) [~~"Emergency" is defined as a medical condition, including emergency labor and delivery, manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in one of the following:~~

~~(a) individual's death;~~

~~(b) placement of individual's health in serious jeopardy;~~

~~(c) serious impairment of bodily functions; or~~

~~(d) serious dysfunction of any bodily organ or part.~~] An emergency condition is a medical or behavioral health condition manifesting itself by acute symptoms of sufficient severity (including sever pain) such that prudent layperson, who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in placing the health of the individual (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to body function or serious dysfunction of any bodily organ or part.

(2) [~~Medicaid~~] MAD covers the following services for air ambulances:

(a) non-reusable items and oxygen required during transportation;

(b) professional attendants required during transportation; and

(c) detention time or standby time up to one [~~(1)~~] hour without physician documentation; if the detention or standby time is more than one [~~(1)~~] hour, a statement from the attending physician or flight nurse justifying the additional time is required[~~; and~~].

[~~**G. Lodging services:** Medicaid covers lodging services if recipients are required to travel to receive medical services more than four (4) hours one way and an overnight stay is required due to medical necessity or cost considerations. If medically justified and approved, lodging is initially set for up to five (5) continuous days. For a longer stay, the need for lodging must be re-evaluated by the fifth day to authorize up to an additional fifteen (15) days. Re-evaluation must be made every fifteen (15) days for extended stays, prior to the expiration of the existing authorization. Approval of lodging is based on the medical provider's statement of need. Authorization forms for direct payment to Medicaid lodging providers by the MAD are available through local county income support division (ISD) offices.~~

~~**H. Meal services:** Medicaid covers meals if a recipient is required to leave their home community for eight (8) hours or more to receive medical services. Authorization forms for direct payment to medicaid meal providers by MAD are available through local county ISD offices.~~

~~**I.**~~] **G. Coverage for attendants:** [~~Medicaid~~] MAD covers [~~transportation, meals and lodging,~~] transportation in the same manner as for [~~recipients~~] an eligible recipient, for one attendant if the medical necessity for the attendant is certified in writing by the eligible recipient's medical provider or the eligible recipient who is receiving medical service is [~~under eighteen (18) years of age~~] ten years of age or younger. [~~The attendant for a child under eighteen (18) years of age should be the parent or legal guardian. If the medical appointment is for an adult recipient, medicaid does not cover transportation services or related expenses of children under eighteen (18) years of age traveling with the adult recipient.~~]

H. Coverage for medicaid waiver recipients: Transportation of a Medicaid waiver recipient to a provider of a waiver service is only covered when the service is occupational therapy, physical therapy, speech therapy and behavioral therapy services.

I. Medicaid family planning waiver eligible recipients: MAD does not cover transportation service for recipients eligible for medicaid family planning waiver services.

[2/28/98;8.301.6.10 NMAC - Rn, 8 NMAC 4.MAD.605.1 & A, 1-14-11]

8.301.6.11 NONCOVERED SERVICES: Transportation services are subject to the same limitations and coverage restrictions which exist for other [~~medicaid~~] services. A payment for transportation to a MAD non-covered service is subject to retroactive recoupment. MAD does not cover the following services or related costs of travel:

A. Attendants where there is not required certification from the eligible recipient's medical provider;

B. Minor aged children of the eligible recipient that are simply accompanying the eligible recipient to medical services;

C. Lodging and meals for an eligible recipient or their attendant;

D. Transportation to a non-covered MAD service;

E. Transportation to a pharmacy provider. See subsection F of 8.324.14.18 NMAC, *Transportation Services.* See Section [~~MAD-602, General Program Limitations~~] 8.301.3 NMAC, *General Noncovered Services.*

[2/28/98;8.301.6.11 NMAC - Rn, 8 NMAC 4.MAD.605.2 & A, 1-14-11]

8.301.6.12 OUT-OF-STATE TRANSPORTATION AND RELATED EXPENSES: All out-of-state transportation [~~and related expenses~~] must be prior approved by MAD. Out-of-state transportation is approved only if the out-of-state medical service is approved. Documentation must be available to the reviewer to justify the out-of-state travel and verify that treatment is not available in the state of New Mexico.

A. Requests for out-of-state transportation must be coordinated through the MAD[~~,~~] client services [~~bureau.~~] bureau or MAD's designated contractor.

[~~**B.** Authorization for lodging and meal services by out-of-state providers can be granted for up to thirty (30) calendar days by MAD. Re-evaluation authorizations are completed prior to expiration and every thirty (30) days, thereafter.~~

~~C.~~**] B.** [~~Transportation to border cities, those cities within one hundred (100) miles of the New Mexico border (Mexico excluded), are treated as in-state provider service. See, Section MAD-704, Out-of-State Provider Services [8.302.4 NMAC, Out-of-State and Border Area Providers].~~] An eligible recipient who receives MAD

reimbursable services from a border area provider is eligible for transportation services to that provider. See 8.302.4 NMAC *Out of State and Border Area Providers* to determine when a provider is considered an out-of-state provider or a border area provider.
[2/28/98;8.301.6.12 NMAC - Rn, 8 NMAC 4.MAD.605.3 & A, 1-14-11]

8.301.6.13 CLIENT MEDICAL TRANSPORTATION FUND: In non-emergency situations, [~~recipients~~] an eligible recipient can request reimbursement from the client medical transportation (CMT) fund through their local county ISD office for money they spend on [~~transportation and related expenses.~~] transportation. For reimbursement from the CMT fund, [~~recipients~~] an eligible recipient must apply for reimbursement within [~~thirty (30)~~] 30-calendar days [~~of~~] after the appointment.

A. Information requirements: The following information must be furnished to the ISD CMT fund custodian within [~~thirty (30)~~] 30-calendar days of the provider visit to receive reimbursement:

(1) [~~completed medical appointment verification form or~~] submit a letter on the [~~providers~~] provider's stationery which indicates that the eligible recipient kept the appointment(s) for which the CMT fund reimbursement is requested; for medical services, written receipts confirming the dates of service must be given to the eligible recipient for submission to the local county ISD office [~~in non-emergency situations where services are provided, such as vision services or pharmacy services, written receipts confirming the dates of service must be presented; verification forms are available through the eligible recipient's local county ISD offices~~];

(2) proper referral with original signatures and documentation stating that the services are not available within the community from the [~~medicaid primary care network provider,~~] designated [~~medicaid~~] MAD medical management provider[~~;~~] or [~~medicaid~~] MAD primary care provider, when a referral is [~~required~~] necessary;

(3) verification of current [~~medicaid~~] eligibility for a MAD service for the month the appointment and travel are made;

(4) certification that free alternative transportation services are not available[~~;~~] and that the recipient is not enrolled in a managed care organization;

(5) verification of mileage; and

(6) documentation justifying a medical attendant.

B. Fund advances in emergency situations: Money from the CMT fund is advanced for travel only if an emergency exists. "Emergency" is defined in this instance as a non-routine, unforeseen accident, injury or acute illness demanding immediate action and for which transportation arrangements could not be made five [~~(5)~~] calendar days in advance of the visit to the provider. Advance funds must be requested and disbursed prior to the medical appointment.

(1) [~~The ISD CMT fund custodian verifies that the recipient is eligible for medicaid services and has a medical appointment or a proper referral from the medicaid PCN provider, designated medicaid medical management provider, or medicaid primary care provider prior to advancing money from the CMT fund.~~] The ISD CMT fund custodian or a MAD fee-for-service coordinated service contractor or the appropriate utilization contractor verifies that the recipient is eligible for a MAD service and has a medical appointment prior to advancing money from the CMT fund and that the recipient is not enrolled in a managed care organization.

(2) Written referral for out of community service must be received by the CMT fund custodian or a MAD fee-for-service coordinated service contractor or the appropriate utilization contractor no later than [~~thirty (30)~~] 30-calendar days from the date of the medical appointment for which the advance funds were requested. If [~~recipients~~] an eligible recipient fails to provide supporting documentation, recoupment proceedings are initiated. See Section OIG-900, Restitutions.
[2/28/98;8.301.6.13 NMAC - Rn, 8 NMAC 4.MAD.605.4 & A, 1-14-11]

8.301.6.14 CMT REIMBURSEMENT RATES: [~~Reimbursement for lodging and meal expenses is based on the MAD allowable fee schedule. The CMT fund reimbursement rate for transportation services and related expenses are:~~

~~**A.** private automobile use is reimbursed by the mile, based on the established MAD reimbursement schedule;~~

~~**B.** meals are reimbursed at the rate established by MAD; authorization forms used for direct payment to medicaid meal providers by MAD are available through the recipient's local county ISD office; and~~

~~**C.** lodging is reimbursed at the rate established by MAD; authorization forms for direct payment to medicaid lodging providers by MAD are available through the recipient's local county ISD office.~~] The CMT fund reimbursement rate for transportation services is at the established MAD reimbursement schedule per mile when a private automobile is used.

[2/28/98;8.301.6.14 NMAC - Rn, 8 NMAC 4.MAD.605.5 & A, 1-14-11]

HISTORY OF 8.301.6 NMAC: [RESERVED]

TITLE 8 SOCIAL SERVICES
CHAPTER 324 ADJUNCT SERVICES
PART 7 TRANSPORTATION SERVICES

8.324.7.1 ISSUING AGENCY: New Mexico Human Services Department (HSD).
[2/1/95; 8.324.7.1 NMAC - Rn, 8 NMAC 4.MAD.000.1, 7/1/04; A, 1/14/11]

8.324.7.2 SCOPE: The rule applies to the general public.
[2/1/95; 8.324.7.2 NMAC - Rn, 8 NMAC 4.MAD.000.2, 7/1/04]

8.324.7.3 STATUTORY AUTHORITY: The New Mexico medicaid and other health care programs are administered pursuant to regulations promulgated by the federal department of health and human services under [~~Title XIX of~~] the Social Security Act as amended [~~, and/or by state statute~~] or by state statute. See Section 27-2-12 et seq. NMSA 1978[~~(Repl. Pamp. 1991~~].
[2/1/95; 8.324.7.3 NMAC - Rn, 8 NMAC 4.MAD.000.3, 7/1/04; A, 1/14/11]

8.324.7.4 DURATION: Permanent
[2/1/95; 8.324.7.4 NMAC - Rn, 8 NMAC 4.MAD.000.4, 7/1/04]

8.324.7.5 EFFECTIVE DATE: October 1, 2007, unless a later date is cited at the end of a section.
[2/1/95; 8.324.7.5 NMAC - Rn, 8 NMAC 4.MAD.000.5, 7/1/04]

8.324.7.6 OBJECTIVE: The objective of [~~these regulations~~] this rule is to provide [~~policies~~] instruction for the service portion of the New Mexico medical assistant programs.
[2/1/95; 8.324.7.6 NMAC - Rn, 8 NMAC 4.MAD.000.6, 7/1/04; A, 1/14/11]

8.324.7.7 DEFINITIONS: [RESERVED]

8.324.7.8 MISSION STATEMENT: [~~The mission of the New Mexico medical assistance division (MAD) is to maximize the health status of eligible recipients by furnishing payment for quality health services at levels comparable to private health plans.~~] To reduce the impact of poverty on people living in New Mexico and to assure low income and individuals with disabilities in New Mexico equal participation in the life of their communities.
[2/1/95; 8.324.7.8 NMAC - Rn, 8 NMAC 4.MAD.002, 7/1/04; A, 1/14/11]

8.324.7.9 TRANSPORTATION SERVICES: [~~Transportation services are reimbursed by the New Mexico medical assistance program (medicaid) under Title XIX of the Social Security Act, as amended. Medicaid~~] The New Mexico Medical Assistance Division (MAD) covers expenses for transportation and other related expenses that [~~the New Mexico medical assistance division (MAD)~~] it or its coordinated services contractor determines are necessary to secure [~~medicaid~~]covered medical examinations and treatment for an eligible [~~recipients~~] recipient in or out of their home community [42 CFR Section 440.170]. Travel expenses include the cost of transportation by [~~public transportation,~~] long distance common carriers, taxicab, handivan, and ground or air ambulance, all as appropriate to the situation and location of the eligible recipient. [~~Related travel expenses include the cost of meals and lodging made necessary by receipt of medical care away from the recipient's home community. When medically necessary, medicaid covers similar expenses for an attendant who accompanies the recipient to the medical examination or treatment. This part describes the types of providers eligible to furnish transportation and related expenses, covered services, service limitations and reimbursement methodology.~~]
[2/28/98; 8.324.7.9 NMAC - Rn, 8 NMAC 4.MAD.756 & A, 7/1/04; A, 1/14/11]

8.324.7.10 ELIGIBLE PROVIDERS: [~~Upon approval of a New Mexico MAD provider participation agreement by MAD or its designees, a licensed practitioner or facility that meets applicable requirements is eligible to be reimbursed for furnishing covered services to an eligible recipient.~~] Health care to eligible recipients is furnished by a variety of providers and provider groups. The reimbursement and billing for these services are administered by MAD. Upon approval of a New Mexico MAD provider participation agreement by MAD or its

designee, licensed practitioners, facilities and other providers of services that meet applicable requirements are eligible to be reimbursed for furnishing covered services to eligible recipients. A provider must be enrolled before submitting a claim for payment to the MAD claims processing contractors. MAD makes available on the HSD/MAD website, on other program-specific websites, or in hard copy format, information necessary to participate in health care programs administered by HSD or its authorized agents, including program rules, billing instructions, utilization review instructions, and other pertinent materials. When enrolled, a provider receives instruction on how to access these documents. It is the provider's responsibility to access these instructions, to understand the information provided and to comply with the requirements. The provider must contact HSD or its authorized agents obtain answers to questions related to the material or not covered by the material. To be eligible for reimbursement, a provider must adhere to the provisions of the MAD provider participation agreement and all applicable statutes, regulations, and executive orders. MAD or its selected claims processing contractor issues payments to a provider using electronic funds transfer (EFT) only. Providers must supply necessary information in order for payment to be made. The following providers are eligible to be reimbursed for providing transportation or transportation related services to eligible recipients:

A. air ambulances certified by the state of New Mexico department of health, emergency medical services bureau;

B. ground ambulance services certified by the New Mexico public regulation commission or by the appropriate state licensing body for out-of-state ground ambulance services, within those geographic regions in the state specifically authorized by the New Mexico public regulation commission;

C. non-emergency transportation vendors (taxicab, vans and other vehicles) and certain bus services certified by the New Mexico public regulation commission, within those geographic regions in the state specifically authorized by the New Mexico public regulation commission;

D. long distance common carriers, that include buses, trains and airplanes;

E. certain carriers exempted or warranted by the New Mexico public regulation commission within those geographic regions in the state specifically authorized by the New Mexico public regulation commission; and

[~~F. lodging and meal providers.~~]

F. when services are billed to and paid by a MAD fee-for-service coordinated services contractor authorized by HSD, under an administrative services contract, the provider must also enroll as a provider with the coordinated services contractor and follow that contractor's instructions for billing and for authorization of services.

[2/28/98; 8.324.7.10 NMAC - Rn, 8 NMAC 4.MAD.756.1 & A, 7/1/04; A, 1/14/11]

8.324.7.11 PROVIDER RESPONSIBILITIES: [~~Providers who furnish services to medicaid recipients must comply with all specified medicaid participation requirements. See 8.302.1 NMAC, *General Provider Policies*. Providers must verify that individuals are eligible for medicaid at the time services are furnished and determine if medicaid recipients have other health insurance. Providers must maintain records that are sufficient to fully disclose the extent and nature of the services provided to recipients.~~]

A. A provider who furnishes services to medicaid or other health care programs eligible recipients must comply with all federal and state laws, regulations. and executive orders relevant to the provision of services as specified in the MAD provider participation agreement. A provider also must conform to MAD program rules and instructions as specified in the provider rules manual and its appendices, and program directions and billing instructions, as updated. A provider is also responsible for following coding manual guidelines and CMS correct coding initiatives, including not improperly unbundling or upcoding services.

B. A provider must verify that individuals are eligible for a specific health care program administered by the HSD and its authorized agents, and must verify the eligible recipient's enrollment status at the time services are furnished. A provider must determine if an eligible recipient has other health insurance. A provider must maintain records that are sufficient to fully disclose the extent and nature of the services provided to an eligible recipient. See 8.302.1 NMAC, *General Provider Policies.*

[2/28/98; 8.324.7.11 NMAC - Rn, 8 NMAC 4.MAD.756.2 & A, 7/1/04; A, 1/14/11]

8.324.7.12 COVERED SERVICES AND SERVICE LIMITATIONS: [~~Medicaid reimburses recipients or transportation providers for transportation only if a recipient does not have access to transportation services that are available free of charge.~~] MAD reimburses an eligible recipient or transportation provider for transportation only when the transport is to a MAD enrolled provider and is subject to the following:

A. **Free [~~alternatives examples:~~] alternatives:** Alternative transportation services that can be provided free of charge include volunteers, relatives or transportation services provided by nursing facilities or other residential centers. An eligible recipient must certify in writing that they do not have access to free alternatives.

B. **Least costly alternatives:** MAD covers the most appropriate and least costly transportation alternatives suitable for the eligible recipient's medical condition. If an eligible recipient can use private vehicles or [~~less costly~~] public transportation, those alternatives must be used before an eligible recipient can use more expensive transportation alternatives.

C. **Non-emergency transportation service:** [~~Medicaid covers non-emergency transportation services for recipients who have no primary transportation and who are unable to access a less costly form of public transportation.~~] MAD covers non-emergency transportation services for an eligible recipient who has no primary transportation and who is unable to access a less costly form of public transportation except as described under non-covered services, see 8.324.7.13 NMAC, *non-covered services.*

D. **Long distance common carriers:** MAD covers long distance services furnished by a common carrier if an eligible recipient must leave their home communities to receive medical services. Authorization forms for direct payment to long distance bus common carriers by MAD are available through local county [~~ISD~~] income support division (ISD) offices.

E. **Ground ambulance services:** MAD covers services provided by ground ambulances when:

(1) An emergency that requires ambulance service is certified by a physician or is documented in the provider's records as meeting emergency medical necessity criteria. Terms are defined as follows:

(a) "Emergency" is defined as a medical or behavioral health condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in placing the health of the eligible recipient (or with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, serious impairment to body function or serious dysfunction of any bodily organ or part.

(b) "Medical necessity" for ambulance services is established if the eligible recipient's physical, mental or behavioral health condition is such that the use of any other method of transportation is contraindicated and would endanger the eligible recipient's health.

(2) Scheduled, non-emergency ambulance services are ordered by a physician who certifies that the use of any other method of non-emergency transportation is contraindicated by the eligible recipient's physical, mental or behavioral health condition. MAD covers non-reusable items and oxygen required during transportation. Coverage for these items is included in the base rate reimbursement for ground ambulance.

F. **Air ambulance services:** MAD covers services provided by air ambulances, [~~which include~~] including private airplanes, if an emergency exists and the physician certifies the medical necessity for the service.

(1) An emergency that would require air over ground ambulance services is defined as a medical condition, including emergency labor and delivery, manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in one of the following:

(a) eligible recipient's death;
(b) placement of eligible recipient's health in serious jeopardy;
(c) serious impairment of bodily functions; or
(d) serious dysfunction of any bodily organ or part.

(2) Coverage for [~~these items~~] the following is included in the base rate reimbursement for air ambulance:

(a) non-reusable items and oxygen required during transportation;
(b) professional attendants required during transportation;
(c) detention time or standby time; and
(d) use of equipment required during transportation.

[~~G. **Lodging services:** MAD covers lodging services if an eligible recipient is required to travel to receive medical services more than four (4) hours one way and an overnight stay is required due to medical necessity or cost considerations. If medically justified and approved, lodging is initially set for up to five (5) continuous days. For a longer stay, the need for lodging must be re-evaluated by the fifth day to authorize up to an additional fifteen (15) days. Re-evaluation must be made every fifteen (15) days for extended stays, prior to the expiration of the existing authorization. Approval of lodging is based on the medical provider's statement of need. Authorization forms for direct payment by MAD to its lodging providers are available through local county income support division (ISD) offices.~~

~~H. **Meal services:** MAD covers meals if an eligible recipient is required to leave his home community for eight (8) hours or more to receive medical services. Authorization forms for direct payment to MAD meal providers by MAD are available through local county ISD offices.~~

~~I. **Coverage for attendants:** MAD covers transportation, meals and lodging for one attendant if the medical necessity for the attendant is certified in writing justified by the eligible recipient's medical provider or the eligible recipient who is receiving medical service is under eighteen (18) years of age. The attendant for a child under eighteen (18) years of age should be the parent or legal guardian. If the medical appointment is for an adult eligible recipient, MAD does not cover transportation services or related expenses of children under eighteen (18) years of age traveling with the adult eligible recipient.~~]

[~~J.~~] G. **Coverage for medicaid home and community-based services waiver recipients:** **[**~~Transportation to MAD waiver facilities will be covered is not covered when transportation is not an approved service under the waiver for MAD waiver eligible recipients receiving occupational therapy, physical therapy, speech therapy, and behavioral therapy services.~~] Transportation of a Medicaid waiver recipient to or from a provider of waiver service is only covered when the service is a physical therapy, occupational therapy, speech therapy or a behavioral health service.

H. **Medicaid family planning waiver eligible recipients:** MAD does not cover transportation service for recipients eligible for medicaid family planning waiver services.

[12/30/95; 2/28/98; 8.324.7.12 NMAC - Rn, 8 NMAC 4.MAD.756.3 & A, 7/1/04; A, 1/14/11]

8.324.7.13 NONCOVERED SERVICES: Transportation services are subject to the same limitations and coverage restrictions that exist for other [~~medicaid~~] MAD services. See 8.301.3 NMAC, *General Noncovered Services* [~~[MAD-602]~~]. Payments for transportation for any non-covered service is subject to retroactive recoupment. [~~Medicaid will not pay to transport recipients to a medical service that is not covered under the MAD program. A provider must notify the eligible recipient of MAD-covered and non-covered services prior to providing services. See 8.302.1, *General Provider Policies*. Transportation to a pharmacy provider is not a covered benefit. Please see Subsection F of 8.324.4.18 NMAC, *Pharmacy Services*, for alternatives.~~]

A. MAD does not pay to transport an eligible recipient to a medical service or a provider that is not covered under the MAD program.

B. A provider will not be eligible to seek reimbursement from an eligible recipient if the provider fails to notify the eligible recipient or their personal representative that the service is not a covered MAD service. See 8.302.1 NMAC, *General Provider Policies.*

C. MAD does not pay for transportation to a pharmacy. See Subsection F of 8.324.4.18 NMAC, *Pharmacy Services*, for alternatives.

D. MAD does not pay for meals and lodging for an eligible recipient or attendant.

E. MAD does not pay for transportation for attendants with an eligible recipient 11 years of age or older.

[12/30/95; 2/28/98; 8.324.7.13 NMAC - Rn, 8 NMAC 4.MAD.756.4 & A, 7/1/04; A, 1/14/11]

8.324.7.14 OUT-OF-STATE TRANSPORTATION AND RELATED EXPENSES: All out-of-state transportation and related expenses must be prior approved by MAD. Out-of-state transportation is approved only if the out-of-state medical service is approved by MAD or its designated contractor. Documentation must be available to the reviewer to justify the out-of-state travel and verify that treatment is not available in the state of New Mexico.

A. Requests for out-of-state transportation must be coordinated through [~~the MAD, client services bureau~~] MAD.

[~~B. Authorization for lodging and meal services by an out-of-state provider can be granted for up to thirty (30) days by MAD. Re-evaluation authorizations are completed prior to expiration and every thirty (30) days, thereafter.~~

~~C.~~] B. Transportation to border cities, defined as those cities within [~~one hundred (100)~~] 100 miles of the New Mexico border (Mexico excluded), are treated as an in-state provider service. See 8.302.4 NMAC, *Out-of-State and Border Area Providers* [~~MAD-704~~].

[12/30/95; 2/28/98; 8.324.7.14 NMAC - Rn, 8 NMAC 4.MAD.756.5, 7/1/04; A, 1/14/11]

8.324.7.15 PRIOR AUTHORIZATION AND UTILIZATION REVIEW: All [~~medicaid~~] MAD services are subject to utilization review for medical necessity and program compliance. Reviews can be performed before services are furnished, after services are furnished and before payment is made, or after payment is made. See 8.302.5 NMAC, *Prior Authorization and Utilization Review*. [~~Once enrolled, providers receive utilization review instructions and documentation forms necessary for prior authorization and claims processing.~~] The provider must contact HSD or its authorized agents to request utilization review instructions. It is the provider's responsibility to access these instructions or ask for paper copies to be provided, to understand the information provided, to comply

with the requirements, and to obtain answers to questions not covered by these materials. When services are billed to and paid by a MAD fee-for-service coordinated services contractor authorized by HSD, under the administrative services contract, the provider must follow that contractor's instructions for authorization of services.

A. **Prior authorization:** Certain procedures or services may require prior authorization from MAD or its designee. Services for which prior authorization is received remain subject to utilization review at any time during the payment process.

B. **Referrals for travel outside the home community:**

(1) [~~If an eligible recipient must travel over sixty-five (65) miles from their home community to receive medical care, the designated MAD medical management provider or the MAD primary care provider in the home community must provide the following information to the non-emergency transportation provider:~~] If an eligible recipient must travel over 65 miles from their home community to receive medical care, the transportation provider must obtain a written verification from the referring provider or the service provider containing the following information for the provider to retain with their billing records:

(a) the medical [~~and/or~~] or diagnostic service for which the eligible recipient is being referred [~~for~~];

(b) the name of the out of community medical provider; and

(c) justification that the medical care is not available in the home community.

(2) Referrals and referral information must be obtained from a MAD provider. For continued out of community non-emergency transportation, the required information must be obtained every six [~~(6)~~] months regardless of the frequency of transport.

C. **Eligibility determination:** Prior approval of services does not guarantee that individuals are eligible for MAD services. Providers must verify that an individual is eligible for MAD services at the time services are furnished and determine if the eligible recipient has other health insurance.

D. **Reconsideration:** A provider who is dissatisfied with a utilization review decision or action can request a re-review and a reconsideration. See 8.350.2 NMAC, *Reconsideration of Utilization Review Decisions* [MAD-953].

[12/30/95; 2/28/98; 8.324.7.15 NMAC - Rn, 8 NMAC 4.MAD.756.6 & A, 7/1/04; A, 1/14/11]

8.324.7.16 REIMBURSEMENT:

A. Transportation providers must submit claims for reimbursement on the [~~HCFA-1500~~] CMS-1500 claim form or its successor. See 8.302.2 NMAC, *Billing for Medicaid Services*. [~~Once enrolled, providers receive instructions on documentation, billing and claims processing.~~] Reimbursement to transportation providers for covered services is made at the lesser of the following:

(1) The provider's billed charge:

(a) The billed charge must be the provider's usual and customary charge for services. For a provider with [~~tariffs~~] a tariff, the billed charge must be the lesser of the charges allowed by the provider's tariff or the provider's usual and customary charge.

(b) "Usual and customary charge" refers to the amount an individual provider charges the general public in the majority of cases for a specific procedure or service; or

(2) The MAD fee schedule for the specific service or procedure. Reimbursement by the [~~medicaid~~] MAD program to a transportation provider is inclusive of gross-receipts taxes and other applicable taxes. An air ambulance provider is exempt from paying gross receipts tax; therefore, the maximum rates paid for air ambulance service [~~will~~] do not include gross receipts tax.

B. **Ground [~~ambulances:~~] ambulance:** A provider of ground ambulance services is reimbursed at the lesser of their billed charge for the service or the MAD maximum allowed amount.

(1) The MAD maximum allowed amount for transports up to 15 miles is limited to the base rate amount. The allowable base rate for advanced life support (ALS) or basic life support (BLS) includes reimbursement for the ALS or BLS equipped service, oxygen, disposable supplies and medications used in transport. The base rate reimbursement includes mileage reimbursement for the first 15 miles of transport.

(2) The allowable base rate for a scheduled non-emergency transport includes reimbursement for oxygen, disposable supplies and medications used in transport. The base rate includes mileage reimbursement for the first 15 miles of transport.

C. **Air [~~ambulances:~~] ambulance:** A provider of air ambulance services is reimbursed at the lesser of billed charges or the MAD maximum allowed rate.

D. **Non-emergency transportation services:**

(1) A provider of non-emergency transportation is reimbursed at the lesser of their approved tariff or the [~~medicaid~~] MAD rate for one or multiple recipient transports not meeting the "additional passenger" criteria Paragraph [~~4~~] (3), below).

[~~(2) A provider of non-emergency transportation will be reimbursed at a reduced per mile rate when a provider reaches total mileage transports of five million miles (5,000,000) during any MAD calendar year. The provider will then be reimbursed at the lesser of its approved non-MAD tariff or the MAD reduced rate.~~]

[~~(3)~~] (2) Reimbursement will be limited to MAD's reimbursement limitation per one-way trip for [~~a medicaid~~] an eligible recipient being transported for medical care. [~~Medicaid~~] MAD does not provide reimbursement for any portion of the trip for which the [~~medicaid~~] eligible recipient is not in the vehicle.

[~~(4) Reimbursement will be limited to MAD's reimbursement limitation per one-way trip for a medical attendant accompanying a medicaid recipient being transported for medical care.~~]

[~~(5)~~] (3) An "additional passenger transport" is a non-emergency transport of two or more [~~medicaid clients~~] eligible recipients who are picked up at the same location and are being transported to the same provider. Additional passenger transport services will not be covered. When more than one eligible recipient is being transported from the same location to the same provider and each eligible recipient has a scheduled [~~medicaid~~] MAD-covered medical appointment, [~~medicaid~~] MAD will allow coverage for one eligible recipient [~~and one medical attendant, if medically indicated. Additional passengers will not be covered~~].

[~~(6)~~] (4) [~~Medicaid~~] MAD covers transportation for one attendant [~~,~~] when the eligible recipient is a child ten years of age and younger not meeting the additional passenger criteria in Paragraph [~~4~~] (3), above, if the medical necessity for the attendant is justified in writing by the eligible recipient's medical provider for each transport. [~~In cases where the recipient's condition is ongoing and the need for a medical attendant will not change, the attestation must only be renewed every six months, unless the recipient who is receiving medical service is under eighteen (18) years of age.~~] The attendant for a child [~~under eighteen (18)~~] ten years of age and younger should be the parent or legal guardian. If the medical appointment is for an adult eligible recipient,[~~medicaid~~] MAD does not cover transportation services or related expenses of children under [~~eighteen (18)~~] 18 years of age traveling with the adult eligible recipient.

[~~(7)~~] (5) [~~Medicaid~~] MAD covers transportation to scheduled, structured counseling and therapy sessions for an eligible recipient, family, or multi-family groups, based on individualized needs as specified in the treatment plan. Claims for services are to be filed under the name of the [~~medicaid~~] eligible recipient being primarily treated through these sessions.

[12/30/95; 8.324.7.16 NMAC - Rn, 8 NMAC 4.MAD.756.7 & A, 7/1/04; A, 1/14/11]

8.324.7.17 CLIENT MEDICAL TRANSPORTATION FUND: In non-emergency situations, [~~recipients~~] an eligible recipient may request reimbursement from the client medical transportation (CMT) fund through their local county ISD office for money spent on [~~transportation and related expenses~~] covered transportation services. For reimbursement from the CMT fund, appointments for which reimbursement is requested must have occurred within [~~thirty (30)~~] 30-calendar days of the completed request for reimbursement.

A. **Submission of medical verification forms:** Unless medical service providers [~~return~~] issue, the signed [~~medical appointment verification form to the address on the back of the form,~~] letter on the provider's stationery which indicates that the eligible recipient kept the appointment(s) for which the CMT fund reimbursement is requested, [~~a~~] an eligible recipient will not be reimbursed for the travel [~~and related expenses~~]. [~~The signed form indicates that the recipient kept the appointment(s) for which the CMT fund reimbursement is requested.~~] For medical services, [~~such as vision services,~~] written receipts confirming the dates of service must be given to the eligible recipient for submission to the local county ISD office.

B. **Preparation of referrals for travel outside the home community:** [~~If an eligible recipient must travel over sixty-five (65) miles from their home community to receive medical care, designated medical management provider, or primary care provider in the home community must furnish a written referral and written statement that the services are not available within the eligible recipient's home community. Referrals and documentation must be obtained from a MAD provider. The document is submitted to the local county ISD office to authorize mileage per [diem and related expenses,] diem, as appropriate.~~] If an eligible recipient must travel over 65 miles from their home community to receive medical care, the transportation provider must obtain a written verification from the referring provider or from the service provider containing the following information for the provider to retain with their billing records:

(a) the medical and/or diagnostic service for which the eligible recipient is being [~~referred for;~~] referred;

(b) the name of the out of community medical provider; and

(c) justification that the medical care is not available in the home community.

C. **Fund advances in emergency situations:** Money from the CMT fund is advanced for travel only if an emergency exists. 'Emergency', in this situation, is defined as a non-routine, unforeseen accident, injury or acute illness demanding immediate action and for which transportation arrangements could not be made five [~~(5)~~] calendar days in advance of the visit to the provider. Advance funds must be requested and disbursed prior to the medical appointment. [~~A medical appointment verification form and/or written referral must be received by the ISD office within thirty (30) days from the date of the medical appointment for which the advance funds were requested.~~] A letter on the provider's stationery which indicates that the eligible recipient kept the appointment(s) for which the CMT fund reimbursement is requested or which indicates that referral outside of the eligible recipient's home community is medically necessary must be received by the ISD office within 30 –calendar days from the date of the appointment for which the advance funds were requested.

D. **Eligible recipients enrolled in managed care plans**: Eligible recipients enrolled in medicaid managed care plans on the date of service are not eligible to use the client medical transportation fund for services that are the responsibility of the managed care organization.

[12/30/95; 8.324.7.17 NMAC - Rn, 8 NMAC 4.MAD.756.8 & A, 7/1/04; A, 1/14/11]

HISTORY OF 8.324.7 NMAC: [RESERVED]